ABSTRACT

Marketing of Private Brands in men's apparel is a challenge faced by Managers of organized retail. The issue of Brand loyalty and Brand shifting has been identified as a major challenge to be addressed. The conundrum of customer satisfaction and customer loyalty could not be solved as short surveys taken by major organized retail outlets found that majority of the customers are satisfied with private label men's apparel. However there is paucity of research in the area of constituents that impinge on customer satisfaction.

Literature review indicates that psychological variables such as purchase intention, perception, and expectation impinge on customer's satisfaction. In the similar vein customer satisfaction is generally believed to lead to loyalty. However there are no studies to establish the intra and inter relationships between the psychological variables and satisfaction. It is believed that a satisfied customer is a potential loyal customer. Thus, primarily the issue of establishing variables that are likely to impinge on satisfaction and the inter relationships between these variables are posited with customer satisfaction relating to customer loyalty.

Chennai has been selected for the study, since it is likely to represent other metros in India, in cosmopolitan outlook and with higher disposal income. The research design is cross-sectional based on descriptive methodology. An attempt is made to develop a model. The instrument designed for the research study relates to demographic, purchase behavior, perception, expectations
satisfaction and brand loyalty of private brand men's apparel. Validity and reliability of the instrument is established with appropriate expert guidance, peer review and statistical measure of cronbach's alpha. Random sampling has been used with a sample size of 500 units.

Multi dimensional scaling techniques are used to generate perceptual map of the customers and structured equation modeling has been used to establish the relationship of different variables in the model. In addition discriminant analysis, factor analysis, multiple regression and correspondence analysis are used.

The unique demographic profile of respondents corresponds to consuming class who are cost benefit optimizer’s (Rao S.L. and Natarajan L., 1994). They look for value for money in the form of price and design compared to any other factor that influence purchase decision. The consuming class which forms the bulk of present research emulates the rich by adopting private label brands analogous to purchasing sachets (SKUs) of FMCG consumers by rich. Status enhancement in the form of income sanskritisation is one of the key determinants for purchase decision.

The present research identified unique factors like in-house tailoring, trial room, elevator that are found to have an impact on purchase decision. Age related expectations identified are: availability of elevator, bigger visible price tags, lighting and accessories. Income related expectations are: ambience, courtesy, convenience and quick delivery. The customer perception dimensions are influenced by choice with discounts, value for money, design and image
enhancement. However, customers do consider a national brand as superior to private brands and probably is lured by value for money focus.

Customer involvement is characterized by personal identity with joy, keenness, risk, dissonance and uncertainty. The dissonance and uncertainty components may be explained by heavy discounts announced from time to time such as fifty to sixty percent indicating to the customer that at some other point of time in the absence of discounts, the respondent might be over charged. There is a tendency on the part of the customer to shift towards national brands.

The inter relationship between purchase intention, perception, expectation, satisfaction and loyalty of private brand men's apparel is analyzed using path analysis and structured equation modeling. While purchase intention and perception are covariates for expectation; perception and expectation are found to have an impact on satisfaction. Furthermore the relationship between satisfaction and loyalty is not established and found to be statistically non significant.

The Perception – Purchase Intention – Expectation – Satisfaction – Loyalty (PPIESL) Model is counter intuitive. The model gets support from the summary of perceptual map of association between private brand men's apparel with different attributes taken up for study in the following segments: style, variety and price; finish, durability and quality; display, accessories and brand name indicated no clear brand leader that satisfies different attributes
expected by customers. The customer cognitive process is fragmented and two weak to be generalized for building customer loyalty.

Prof. Neale Martin after extensive studies of 10 years on unconscious consumer behavior and habit, indicated that there is little evidence or correlation between customer satisfaction and loyalty.

However, research does suggest some important aspects to be taken into account to build customer loyalty. The price centric customer may be appealed through everyday low pricing as he is not likely to go for cherry picking and frequenting the retail outlet. This ensures lesser uncertainty and customer dissonance with respect to price. As majority of the respondents are working in the private sector organizations and professionals, organizational specific promotions are likely to build brand habits leading to brand loyalty.

In summary the PPIESL model may be used as a starting point for different analyses to establish relationship between psychological variables and customer satisfaction.